



Hot Issues In Lansing

Dear Friend,

March has been a record setting month for the number of constituents who have contacted my office. A few of the issues that have generated the most questions were the Film Credits, the Earned Tax Income Credit and the Pension Tax. Though these issues are fluid and have not been finalized, I wanted to give you an update on their status and my position at this time.

Film Credits

As a member of the Senate Finance Committee, we reviewed the findings of the non-partisan Senate Fiscal Agency report. The primary concern noted in the study centers on the fact that the credits create private wealth for a few, but will always cost taxpayers more than it can generate regardless of how successful Michigan becomes at attracting the film industry. That being said, I am aware there are other studies that express different results. I have seen firsthand some of the positive effects of the film credits locally in terms of hotel occupancy and catering. While I do not believe we should rush to judgment and eliminate the credits altogether, I do feel that a thorough review of the tax credits is in order.

Earned Income Tax Credit (EITC)

Governor Snyder proposed eliminating the EITC. This is expected to save upwards of \$300 million. This is one part of a larger plan to bring government spending to reasonable levels and create an environment where jobs can grow. I agree with the governor that serious reform and shared sacrifice is the only way to move Michigan forward. How best to accomplish that is still being discussed among my colleagues. I am in the process of evaluating the governor's proposal in its entirety, looking at the whole picture, to see if we can make improvements.

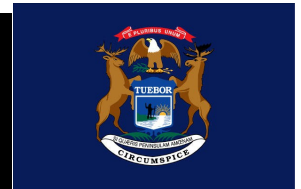
Pension Tax

Governor Snyder proposed taxing public and private pensions the same as all other forms of taxable income under the Michigan Income Tax. This is expected to generate approximately \$900 million in revenue for the state. I know that our most vulnerable citizens, especially those seniors who are living on fixed incomes, cannot afford a new tax. I believe we can do a better job of protecting our lower income seniors without raising the cost for other pensioners.

Please know that I am working hard to be sure that my colleagues and I are making informed decisions on these important matters and I will continue to keep you informed on our progress to get Michigan back on track.

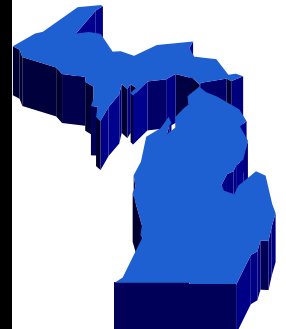
Sincerely,


John Pappageorge



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Senate Website Offers Opportunity for Michigan Residents to Share their Views

Many of my constituents have made good suggestions for reform in Michigan. I have been sharing these stories and recommendations with my colleagues. Recently, a new website was developed by the Senate Committee on Reforms, Restructuring, and Reinventing to help Michigan residents learn about proposed changes and share reform ideas of their own.

The site, www.MIReform.com, provides information on committee meetings and records. Perhaps most importantly, the



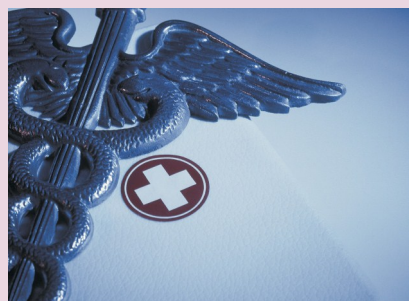
website features a section where individuals can send their suggestions for reforming and restructuring state government.

The goal of this site is to gather ideas from people across Michigan on how to reform the way the state does business, to analyze those concepts and then develop legislation to change current law. Though I have been sharing many of my constituents' ideas with my colleagues, I wanted to offer you the opportunity to communicate your suggestions to the committee directly.

Senate Resolution to Save the State Millions of Dollars

Following through on promises to rein in costly state spending, the Senate has firmly said "no" to an estimated \$8 million in new fringe benefits to state employees.

By adopting Senate Concurrent Resolution (SCR) 9 earlier this month, the Senate rejected the Civil Service Commission's decision to expand healthcare benefits to unrelated adults and their dependents living with a state employee. Such an action could open the state treasury to virtually unlimited claims as the beneficiaries would only have to meet the following criteria:



- * Is at least 18 years of age.
- * Is not a member of the employee's immediate family.
- * Has jointly shared the same regular and permanent residence for at least 12 continuous months, and continues to share a common residence with the employee other than as a tenant, boarder, renter, or employee.

In the face of a \$1.4 billion state budget shortfall, it is unfair and unreasonable to expect taxpayers to pick up the bill for a dramatic expansion of state worker benefits. The resolution has been sent to the House for consideration.

Senator Pappageorge is Honorary Marshall at Royal Oak Saint Patrick's Day Parade



Senator Pappageorge and Royal Oak Mayor Jim Ellison before the Saint Patrick's Day Parade.

I would like to thank the Norman O'Brien Division of the Ancient Order of Hibernians for hosting the Saint Patrick's Day Parade in Royal Oak on Saturday, March 12, 2011. It was a great privilege for me to serve as an Honorary Marshall.

I have always been very supportive of celebrating various cultures. Therefore, it was great to be able to pay tribute to Saint Patrick the patron saint of Ireland and I feel honored to have been a part of this great Irish tradition.

For those who may have missed the parade, I encourage you to consider attending it next year. It is a great event for families and there is no cost to attend.



Senator Pappageorge Around the District



Senator Pappageorge reads to third grade students at Pierce Elementary for March is Reading Month.



Senator Pappageorge updates constituents on the budget process at the Birmingham Bloomfield Republicans Meeting.

Recent Robo Calls in the 13th Senate District

Recently, many of my constituents have received automated calls on a variety of issues before the legislature. These calls may ask you to press a number to express your position and after pressing such number, you are transferred to my office. Please know that these calls are not generated by my office. However, my staff is collecting all your comments and sharing them with me on a daily basis.

I bring this to your attention for two reasons. The first is that people have not been properly informed on where their call is being transferred and are often surprised that they have been connected to my office. Therefore, if you do receive one of these calls, you will most likely be connected to an elected official.

The second is that there are some occasions when you may get the office voicemail because there are more calls coming in than there are staff to answer them. Please feel free to leave a message and your views will still be brought to my attention.

Booklet for Parents on Underage Drinking

As you know, we are approaching prom and graduation season in Michigan. These events are exciting landmarks for both students and parents. Unfortunately, this can also be a time when some teens may be tempted to illegally drink alcohol, putting themselves, their friends and others at risk.

The Michigan Association of Secondary School Principals and the Michigan Beer and Wine Wholesalers Association have put together a booklet that contains useful information to help parents more effectively talk to teens about underage drinking and its dangers. This booklet is entitled "Parents Unite to Prevent Underage Drinking."

If you are interested in a booklet, please contact my office at 1-877-SEN-13TH or via email at senjpappageorge@senate.michigan.gov.

Questions? Comments?

If you have any questions or comments regarding information in this newsletter, or wish to be removed from or added to the mailing list, please contact my office at the following information:

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